



DEPARTMENT OF COMMERCE

International Trade Administration

[A-520-807]

Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission of Antidumping Duty Administrative Review; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that sales of circular welded carbon-quality steel pipe (CWP) from the United Arab Emirates (UAE) have been made below normal value during the period of review (POR), December 1, 2018, through November 30, 2019. Further, Commerce is rescinding the administrative review, in part, with respect to K.D. Industries Inc. (K.D. Industries) and Tiger Steel Industries LLC (Tiger Steel).

We invite interested parties to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Benjamin A. Lubberda, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2185.

SUPPLEMENTARY INFORMATION:

Background

Commerce is conducting an administrative review of the antidumping duty order on CWP from the UAE.¹ On December 6, 2019, Commerce published in the *Federal Register* a

¹ See *Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman, Pakistan, and the United Arab Emirates: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Orders*, 81 FR 91906 (December 19, 2016) (*Order*).

notice of opportunity to request an administrative review of the *Order*.² The notice of initiation of this administrative review was published on February 6, 2020.³ On March 3, 2020, Commerce selected two mandatory respondents for individual examination: Ajmal Steel Tubes & Pipes Ind. L.L.C./Noble Steel Industries L.L.C. (collectively, Ajmal)⁴ and Universal Tube and Plastic Industries, Ltd./THL Tube and Pipe Industries LLC/KHK Scaffolding and Framework LLC (collectively, Universal).⁵ On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.⁶ On July 21, 2020, Commerce tolled deadlines in administrative reviews by an additional 60 days.⁷ On November 27, 2020, Commerce extended the deadline for the preliminary results of this administrative review until April 19, 2021.⁸ For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁹

Scope of the Order

² See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 84 FR 66880 (December 6, 2019).

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 6896 (February 6, 2020) (*Initiation Notice*), as amended in *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 13860, 13868 and n.6 (March 10, 2020).

⁴ We collapsed Ajmal Steel Tubes and Pipes Ind. L.L.C. and Noble Steel Industries L.L.C. together in the final results of the 2016-2017 administrative review. See *Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Final Results of Antidumping Duty Administrative Review; 2016-2017*, 84 FR 44845 (August 27, 2019) (*CWP from UAE 2016-2017 Final Results*).

⁵ See Memorandum, “Respondent Selection for the Antidumping Duty Review of Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates,” dated March 3, 2020. Commerce previously determined that Universal is a single entity consisting of the following three producers/exporters of subject merchandise: Universal Tube and Plastic Industries, Ltd.; KHK Scaffolding and Framework LL; and Universal Tube and Pipe Industries LLC (UTP). See *Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 81 FR 36882 (June 8, 2016), and accompanying Preliminary Decision Memorandum, unchanged in *Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Final Determination of Sales at Less Than Fair Value*, 81 FR 75030 (October 28, 2016), and accompanying Issues and Decision Memorandum. Because there is no information on the record of this administrative review that would lead us to revisit this determination, we are continuing to treat these companies as part of a single entity for purposes of this administrative review. Additionally, we previously determined that THL Tube and Pipe Industries LLC is the successor-in-interest to Universal Tube and Pipe Industries LLC. See *CWP from UAE 2016-2017 Final Results*.

⁶ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

⁷ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

⁸ See Memorandum, “Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review,” dated November 27, 2020.

⁹ See Memorandum, “Decision Memorandum for the Preliminary Results of the 2018-2019 Administrative Review of the Antidumping Duty Order on Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

The merchandise subject to the *Order* is welded carbon-quality steel pipes and tube, of circular cross-section, with an outside diameter not more than nominal 16 inches (406.4 mm), regardless of wall thickness, surface finish, end finish, or industry specification, and generally known as standard pipe, fence pipe and tube, sprinkler pipe, or structural pipe (although subject product may also be referred to as mechanical tubing). The products subject to the *Order* are currently classifiable in Harmonized Tariff Schedule of the United States (HTSUS) statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, 7306.19.5150, 7306.30.1000, 7306.30.5015, 7306.30.5020, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.5030, 7306.50.5050, and 7306.50.5070. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.¹⁰

Partial Rescission of Administrative Review

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of publication of initiation of the requested review. On June 25, 2020, Bull Moose Tube (Bull Moose), Wheatland Tube Company (Wheatland Tube), and Nucor Tubular Products (Nucor) (collectively, domestic interested parties),¹¹ timely withdrew their requests for an administrative review of K.D. Industries and Tiger Steel.¹² No other party requested a review of these companies. Accordingly, we are rescinding this review with respect to these companies, pursuant to 19 CFR 31.213(d)(1). The review will continue with respect to Ajmal, Universal, and Conares Metal Supply Limited (Conares).

¹⁰ For a complete description of the scope of the *Order*, see Preliminary Decision Memorandum.

¹¹ We note that Nucor's request for review was filed on behalf of Independence Tube Corp. (Independence Tube) and Southland Tube, Inc. (Southland Tube) instead of Nucor. However, the domestic interested parties reported that Independence Tube and Southland Tube were consolidated under a new entity, Nucor, and that Nucor was the successor to these companies. See Domestic Interested Parties' Letter, "Circular Welded Carbon Quality Steel Pipe from the United Arab Emirates: Partial Withdrawal of Request for Administrative Review," dated June 25, 2020 at n.1.

¹² *Id.* We note that the domestic interested parties' withdrawal of request for an administrative review was submitted more than 90 days after the publication of the *Initiation Notice*. However, due to Commerce's tolling of all deadlines in administrative reviews on April 24, 2020, the withdrawal was timely.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) and (2) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice.

Application of Adverse Facts Available

Pursuant to section 776(a) of the Act, Commerce is preliminarily relying on facts otherwise available to assign a weighted-average dumping margin to Ajmal in this review. Preliminarily, Commerce finds that necessary information is not available on the record, and Ajmal failed to provide information by the deadlines for submission and significantly impeded this review, warranting a determination on the basis of the facts available under section 776(a) of the Act. Further, Commerce preliminarily determines that Ajmal failed to cooperate by not acting to the best of its ability to comply with Commerce's request for information by the applicable deadline, and, thus, Commerce is applying adverse facts available (AFA) to Ajmal, in accordance with section 776(b) of the Act. For a full description of the methodology underlying our conclusions regarding the application of AFA, *see* the Preliminary Decision Memorandum.

Rate for Non-Selected Company

The Act and Commerce's regulations do not address the rate to be applied to companies not selected for individual examination when Commerce limits its examination in an

administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies that were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally “an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}.”

In this review, we preliminarily assigned Ajmal a margin based entirely on adverse facts available. However, we preliminarily calculated a margin for Universal that was not zero, *de minimis*, or based on total facts available. Accordingly, we have preliminarily assigned Universal’s weighted-average dumping margin to the non-selected company still subject to this review (*i.e.*, Conares).

Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for the period December 1, 2018 through November 30, 2019:

Exporter / Producer	Weighted-Average Dumping Margin (Percent)
Ajmal Steel Tubes and Pipes Industries LLC/Noble Steel Industries L.L.C.	54.27
Universal Tube and Plastic Industries, Ltd/ THL Tube and Pipe Industries LLC/KHK Scaffolding and Framework LLC	2.37
Conares Metal Supply Limited	2.37

Verification

On February 19, 2020, Commerce received a request from the petitioners¹³ to conduct verification of the responses in this administrative review.¹⁴ Commerce is currently unable to conduct on-site verification of the information relied upon for the final results of this review. Accordingly, we intend to take additional steps in lieu of on-site verification. Commerce will notify interested parties of any additional documentation or information required.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.¹⁵ Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. Interested Parties will be notified of the timeline for the submission of case briefs and written comments at a later date. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs.¹⁶ Commerce has modified certain of its requirements for serving documents containing business proprietary information until further notice.¹⁷ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁸ Case and rebuttal briefs should be filed using ACCESS.¹⁹

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Acting Assistant Secretary for Enforcement and Compliance, filed

¹³ The petitioners are Bull Moose and Wheatland Tube.

¹⁴ See Petitioners' Letter, "Circular Welded Carbon Quality Steel Pipe from the United Arab Emirates: Comments on Respondent Selection and Initial Questionnaire and Request for Verification," dated February 19, 2020 at 3. The petitioners requested verification of Universal, Ajmal, Tiger Steel, and Conares. However, we only intend to rely on Universal's questionnaire responses for our final results; thus, we only intend to conduct verification of Universal, pursuant to section 782(i) of the Act.

¹⁵ See 19 CFR 351.224(b).

¹⁶ See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements).

¹⁷ See *Temporary Rule Modifying AD/CVD Service Requirements Due to Covid-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹⁸ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁹ See 19 CFR 351.303.

electronically via ACCESS. An electronically-filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.²⁰ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a date and time to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Commerce intends to issue the final results of this administrative review, including the results of its analysis raised in any written briefs, not later than 120 days after the publication date of this notice, pursuant to section 751(a)(3)(A) of the Act, unless otherwise extended.²¹

Assessment Rates

Upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review.²²

Pursuant to 19 CFR 351.212(b)(1), because Universal reported the entered value of its U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the company that was not selected for individual review (*i.e.*, Conares), we will assign an assessment rate based on the average of the cash deposit rates calculated for Ajmal and

²⁰ See 19 CFR 351.310(c).

²¹ See section 751(a)(3)(A) of the Act.

²² See 19 CFR 351.212(b).

Universal, excluding any which are *de minimis* or determined entirely based on adverse facts available. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.²³

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.²⁴

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of CWP from the UAE entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the exporters listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously reviewed or investigated companies not participating in this review, the cash deposit rate will continue to be the company-specific rate published for the most recently-completed

²³ See section 751(a)(2)(C) of the Act.

²⁴ For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

segment of this proceeding in which the company was reviewed; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair value (LTFV) investigation, but the manufacturer is, then the cash deposit rate will be the rate established for the most recently-completed segment of this proceeding for the manufacturer of subject merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 5.95 percent, the all-others rate made effective by the LTFV investigation.²⁵ These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: April 16, 2021.

Christian Marsh,
Acting Assistant Secretary
for Enforcement and Compliance.

²⁵ See *Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman, Pakistan, and the United Arab Emirates: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Orders*, 81 FR 91906 (December 19, 2016).

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Application of Facts Available and Use of Adverse Inference
- V. Companies Not Selected for Individual Examination
- VI. Discussion of the Methodology
- VII. Currency Conversion
- VIII. Recommendation

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